

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director JOHN R. BAZA Division Director

Inspection Report

Supervisor A

Minerals Regulatory Program
Date of Report: June 19, 2007

Mine Name: Tony M	Permit number: M0170001
Operator Name: Plateau Resources	Inspection Date: May 31, 2007
그렇게 마다구나를 가지 않는 그 사람이 없는 것이다.	Time: 9:00 to about 11:30 AM

Inspector(s): Paul Baker and Susan White

Other Participants: Buzz Rakow (Hanksville BLM)

Mine Status: Reclaimed Weather: Clear, 80s

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds			
2. Public Safety (shafts, adits, trash, signs, highwalls)			
3. Protection of Drainages / Erosion Control			
4. Deleterious Material			
5. Roads (maintenance, surfacing, dust control, safety)			
6. Concurrent Reclamation			
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)			
8. Water Impoundments			
9. Soils		X'', 32	
10. Revegetation	\boxtimes		
11. Air Quality			
12. Other			

Purpose of Inspection:

We were at the mine to look at the ore piles with a person who has filed placer and lode claims for them.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

Jim Butt has filed placer and lode claims on the two southernmost ore piles, and we discussed how he would file a notice of intention for these areas. If these areas were permitted to another entity, Plateau could be released from its responsibility for them.

Denison Mines apparently holds the lease from the School and Institutional Trust Lands Administration that includes the two ore stockpiles to the north.

3. Protection of Drainages / Erosion Control

In October 2006, the area received a substantial amount of rain, and the resulting runoff plugged and washed out culverts and washed out some areas where a drain field was buried. Various views of the area are in

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M0170001

Photos 1 through 4. In these photos, one can see PVC pipe that was part of the drain field as well as concrete and wiring that may have been part of a camp that was at this site until about 1980.

10. Revegetation

Last August, I took vegetation cover measurements in several areas, including the ore stockpiles. The weighted average cover for the entire area did not meet revegetation success criteria. The weighted value for just the two north stockpiles is 8.16 percent, the value for undisturbed areas was 13.9 percent, and the revegetation success standard was 9.7 percent.

Conclusions and Recommendations:

Debris from the drain field and camp needs to be cleaned up. This is in an area currently proposed by Denison Mines for a new leach field as well as a maintenance shop, warehouse, mine office, dry, and topsoil storage areas. Plateau may be able to have Denison clean up this area during construction.

If the two southernmost ore piles are permitted and bonded for reclamation, the Division could release Plateau from its reclamation responsibilities in these areas.

Vegetation cover on the northernmost ore stockpiles did not meet revegetation success standards last fall, but it is possible it now does. When Denison's mine is approved, and assuming the two southern stockpiles are permitted by another entity, Plateau may want to re-measure vegetation cover on the two remaining stockpiles to see if they meet release criteria.

Inspector's Signature Daw Haddork Date: 6/20/07

PBB:pb

c: Fred Craft, Plateau

Buzz Rakow, Hanksville BLM

Attachment: Photos

ATTACHMENT

Inspection Dated: May 31, 2007; Report Dated: June 19, 2007 Photographs M0170001, Tony M Mine, Plateau resources

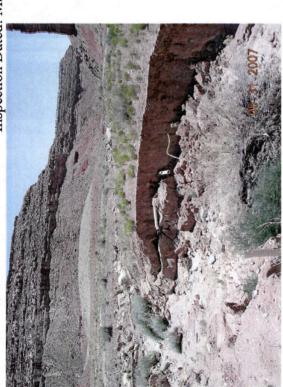


Photo 1.. Erosion in the stream channel adjacent to the leach field.



Photo 2. Concrete that was exposed during the floods in October 2006.

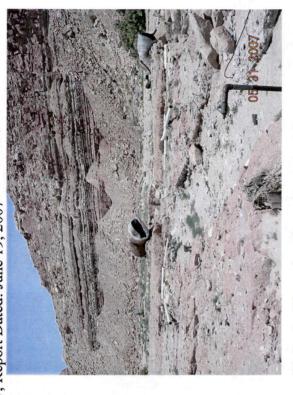


Photo 3. The culverts were washed from an upstream crossing. Note the PVC pipe.



Photo 4. PVC pipe from the leach field.